

## **OTHER ACS PROGRAMS**

Army Emergency Relief (AER)

Army Family Action Plan (AFAP)

Army Family Team Building (AFTB)

Army Volunteer Corps (AVC)

Community Information and Referral Program

Employment Readiness Program

Family Connection "A Welcome Center for Families"

Mayoral Program

Military and Family Life Consultants (MFLC)

Mobilization and Deployment Readiness

Outreach Program

Relocation Readiness Program

Soldier and Family Assistance Program

Soldier and Family Readiness Center (SFAC)

Survivor Outreach Services (SOS)

Warrior Community Family Partnership (WFCP)

For more information or to register for upcoming events, please call (719) 526-4590.



Army Community Service (ACS)

ACS Center, Building 1526

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TEL (719) 526-4590 / DSN: 691 / TTY:(719) 526-1949

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## **ACS Website**



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ARMY COMMUNITY SERVICE (ACS)

# **FINANCIAL READINESS PROGRAM**

**"Be Smart With Your Money,  
Educate Yourself"**





## ACS Financial Readiness...

Professionally trained financial counselors providing FREE services. Assisting all military DoD & NAF civilian employees, retirees and their Families. Come in today and set up an appointment with one of our experts or call (719) 526-4590. Find out how to get the most out of your valuable resources!

### ARMY EMERGENCY RELIEF (AER)

Army Emergency Relief is a private organization that was incorporated in 1942 by the Secretary of War and the Army Chief of Staff to provide emergency financial assistance, allowing the army to take care of its own. For more information or assistance, call (719) 526-4590.

### WHO IS ELIGIBLE FOR AER

Active Soldiers, single or married & their dependents. ARNG (Army Reserve National Guard) and USAR (United States Army Reservist) Soldiers & dependents, on continuous or active duty for more than 30 days. Surviving spouses or orphans of Soldiers who died while on active duty or after they retired.

### WHAT CAN AER DO

- Help with emergency financial needs
- Food, rent or utilities
- Emergency transportation & vehicle repair
- Funeral expenses
- Medical/dental expenses
- Personal needs when pay is delayed or stolen
- Give undergraduate-level education scholarships, based primarily on financial need to children & Soldiers.

### ASSISTANCE PROGRAMS

Soldiers are often reluctant to ask for assistance, and yet there are state and county programs in place to assist Soldiers and Family Members. By using these programs, families can save a few hard-earned dollars for use in other areas of household management. Financial Readiness provides information, eligibility guidelines, referral and/or registration for the following assistance programs:

- **Christmas Unlimited:** A local non-profit organization that provides new and refurbished toys for Christmas to children in El Paso & Teller counties. Toys are available for children from birth up to the age of twelve. Parents of qualifying children will be provided with a "shopping certificate" to be used at the Christmas Unlimited distribution site. Applicants must bring identification card (ID), social security card and a recent end of the month leave earning statement (LES).

- **Emergency Food Voucher:** Food assistance available to Active Duty Soldiers and their Family Members. These vouchers, upon applicant approval, are for use only at the Fort Carson Commissary.

- **Family Subsistence Supplemental Allowance (FSSA):** This program increases a member's BAS by an amount intended to remove the member's household from eligibility for benefits under the U.S. Department of Agriculture's Food Stamp Program.

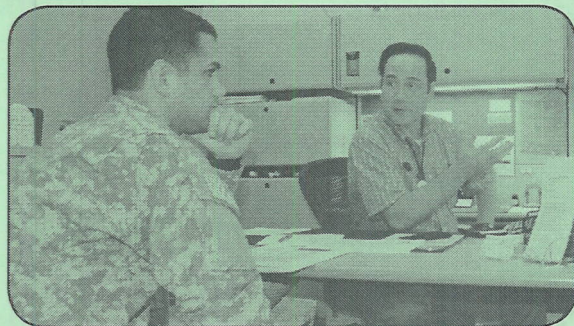
- **Holiday Food Voucher:** This assistance is provided throughout the Thanksgiving/Christmas season.

- **Operation Back to School:** Provides school supplies for school age children in eligible families.

For more information on these programs or to schedule an appointment, call (719) 526-8747 or 526-4590.

### BUDGET COUNSELING

Budget Counseling allows a client to meet with a financial counselor and discuss the management of their personal finances. The counselor develops a financial analysis to determine the household's monthly living expenses and a budget is established, with an emphasis on managing personal finances and tracking spending habits. Additional services include: bankruptcy counseling, purchasing an automobile and repaying creditors. To schedule an appointment, call (719) 526-4590.





# **PREDATORY LENDING PRACTICES**

**What are they:** Colorado Springs has a total of 175 "Predatory Lenders" listed in the phone book. They include: Pawn shops, Payday Lenders, Rent-to-Own and "Military Lenders" (Payday Loans; Car Title Loans; Military Installment Loans; Tax Refund Anticipation Loans; Rent-to-Own; Internet based loans (cars, signature, etc)

## **Common Characteristics of Predatory Lenders:**

Loans are made based on access to assets/income and not on the ability to repay the loan. Lenders take advantage of borrower's inability to pay the loan in full when due and encourage extensions thru refinancing and loan flipping. Markets to the military through their presence around the installation and/or through the use of terms to affiliate with the military (i.e. sponsorship agreements, free meals, educational programs, "perks", donations, etc.). Loans feature high fees/interest rates, balloon payments or excessive charges. Lenders attempt to work outside of the established usury limits by exemptions from federal and state statutes or via schemes that circumvent existing laws.

## **What Makes a Family Vulnerable:**

- Entry level wages make it tough to make ends meet (two incomes are not always enough).
- Limited education and financial experience.
- Young children (expenses can be costly).
- Steady government paychecks.
- Soldiers stationed in remote locations away from family support networks.
- Service members are easy for debt collectors to track.
- Before risking military discipline, exploitative lenders know that service members will pay even unfair loans.
- Soldiers and their Families are highly attractive to predatory lenders.

## **What are Payday Loans:**

- High Interest Rate
- Rapidly compounding loans
- Meant to "tide over" cash-short borrowers until the next pay-check.
- Average payday loan interest rates are over 400 percent. This is not illegal. Compare to average interest rates on NYC mafia loans in the 60's that were relatively inexpensive at 250%.
- Many borrowers can't make payments and payday loans turn into long term debt.

## **Do Payday Lenders Target the Military:**

- Clustering Pattern: 20 to 40 Payday Lenders within a few miles of installation gates. There are 59 Payday

lenders within a 10 mile radius of Fort Carson.

- Every state that was studied showed an unjustifiable number of Payday Lenders adjacent to military installations.
- Location of Payday Lenders not in sync with locations of local bank branches.
- All military services are targeted.
- Studies provide incontrovertible evidence that, unless government leaders act, payday lenders will continue to actively and aggressively target military families.

## **DoD Identified Predatory Lenders:**

- Installment Loans: Pioneer, Omni and Patriot
- Internet Loans: MyCashNow; Military Financial, Inc; Payday Today; National Payday; Military Loan Info; Payday Loan Savings (My Payday Loan; Military Funding USA; Armed Forces Loans of Nevada, Inc.; US Military Lending Corp; Military Loans; Pioneer Military Lending of Nevada, Inc.)
- Rent-to-Own Lenders: Rent-A-Center, RentWay and Aaron Rents

**Fort Carson Examples** include available cash, auto repairs and maintenance, stereos, buy today - pay tomorrow, emergency travel, repayment of payday loan and down payments.

**Education, The First Line of Defense:** ACS provides: 1st Term Financial Training, Financial Readiness Campaign Classes, Financial Counseling, Debt Management Services, TSP Training, AER Assistance and Commodities Program Referrals.

## **Army Leadership: Be Pro-Active and Involved:**

Schedule ACS training and educate during SGT's time training. Report predatory lending practices and businesses to the ACS Financial Readiness Program, (719) 526-4590. Reduce the opportunity for predatory lenders to affiliate with Fort Carson and engage target population Soldiers and families. Communicate with subordinates about the problems that can occur when obtaining predatory loans.

**Background and Reports:** DoD Report on Predatory Lending Practices Directed at Members of the Armed Forces and their Dependents (August 9, 2006) Predatory Lending and the Military: The Law and Geography of "Payday" Loans in Military Towns - Visit [www.law.ufl.edu/faculty/peterson/publications.shtml](http://www.law.ufl.edu/faculty/peterson/publications.shtml). "A Closer Look - Cycle of Debt", ABC News Report, Charles Gibson (August 22, 2006)

**Payday Lenders within a 10 mile radius of Fort Carson.**



## COMMAND FINANCIAL NCO (CFNCO) PROGRAM

The CFNCO program was created to enhance and maintain mission readiness and quality of life by providing Soldiers and their Family Members a ready-made program to help achieve personal financial readiness and deploy-ability through the use of sound money management and consumer skills. Each Battalion-size element has a mature, and financially stable CFNCO who trains, organizes, implements and supervises the CFNCO program along with serving as the battalion commander's principal advisor on policies and matters related to personal financial readiness and local consumer affairs. CFNCO's provide:



- Conduct partial financial evaluations.
- Provide budget counseling and advise Soldiers and Family Members.
- Refer Soldiers/Family Members to appropriate resources or agencies.
- Present financial readiness and consumer training as part of the command program.
- Provide emergency food locker referrals to Soldiers and Family Members.
- Screen & counsel AER referrals.
- Attend battalion pre-deployment briefings to explain available resources to Family Members.

## CONSUMER AFFAIRS

Daily consumer awareness/information sessions are conducted at 4th Replacement for new arrivals (E1-E6). Assistance with consumer complaints and resolution of issues concerning local businesses is another service offered by the Consumer Affairs Program. A wide variety of personal finance and consumer education classes are available for presentation to unit and Family Readiness Groups. Sample classes include:

- Money Trouble Solutions
- Brown Bag Luncheon
- Car Buying Seminar
- Checkbook Management
- Couples and Money
- Financial Solutions for Singles
- Identity Theft
- Investing 101
- Shopping on a Budget
- Thrift Savings Plan (TSP)

## DEBT MANAGEMENT

If you find yourself in the position of considering loan consolidation, you may be headed for financial difficulty. The following are danger signs:

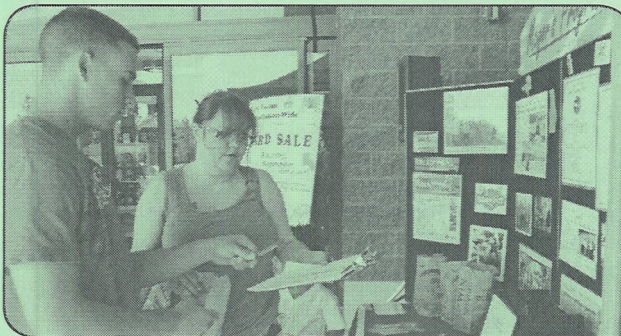
- More than 20% of your take home pay is used for credit payments (excluding home mortgage).
- You have one or more loans from a lending company(ies) at 20% or more interest.
- You screen your phone calls because bill collectors are calling frequently.
- You routinely use your overdraft protection.
- You use credit cards impulsively.
- You do not pay your bills on time.
- You pay only the minimum amount down on your charge accounts each month.
- The use of advance check cashing and pay day loans is part of your regular budget plan.
- Your car loan is financed at 12% or more interest.

If one or more of the above describes you or your spouse, don't wait! Stop by the ACS Center, located next to the Commissary in building 1526 and schedule an appointment with a Financial Counselor, (719) 526-4590.

## FINANCIAL LITERACY PROGRAM (FLP)

Financial Literacy Program (FLP). Financial literacy is an integral part of mission readiness and quality of life. The goal of this campaign is to maintain a comprehensive and state-of-the-art education & training program throughout the services.

Designed by DoD, the purpose of the FLP is to increase personal readiness by reducing the stressors related to financial well being. This program will assist Soldiers and family members in awareness, savings & debt reduction and protection against predatory practices. For more information, visit your Financial Readiness department or a Command Financial NCO.



**Colorado Springs has 175 "Predatory Lenders" & 59**